

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)	
KAREN L. EVERT)	
Former Employee and)	OTS Order No. CHI-97-06
Institution-Affiliated Party of)	
LADYSMITH FEDERAL SAVINGS AND)	Dated: July 24, 1997
LOAN ASSOCIATION)	
LADYSMITH, WISCONSIN)	

STIPULATION AND CONSENT TO THE ISSUANCE
OF AN ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed KAREN L. EVERT, a former employee and institution-affiliated party of Ladysmith Federal Savings and Loan Association, 119 West 4th Street P.O. Box 146, Ladysmith, Wisconsin 54848 ("Ladysmith Federal"), that grounds exist to initiate an administrative prohibition proceeding against her pursuant to 12 U.S.C. § 1818(e);¹ and

WHEREAS, KAREN L. EVERT desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding hereby stipulates and agrees to the following:

1. Jurisdiction.

(a) Ladysmith Federal is a "savings association" within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4).

1. All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

KLE
16-97

Accordingly, it is an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c);

(b) KAREN L. EVERT was an employee of Ladysmith Federal and is an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within 6 years of the date hereof (see 12 U.S.C. § 1818(i)(3)); and

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal banking agency" to maintain an administrative prohibition proceeding against such a savings association or its institution-affiliated parties. Therefore, KAREN L. EVERT is subject to the jurisdiction of the OTS to initiate and maintain an administrative proceeding against her pursuant to 12 U.S.C. § 1818(e). The Director of the OTS has delegated to the Regional Director of the Central Region of the OTS or his designee ("Regional Director") the authority to issue prohibition orders where the individual has consented to the issuance of the order.

2. OTS Findings of Fact. The OTS finds that:

(a) From in or about 1988, and continuing to on or about June 7, 1996, acting without authority and with intent to injure and defraud Ladysmith Federal, KAREN L. EVERT did knowingly and willfully embezzle funds entrusted to the custody and care of Ladysmith Federal. Specifically, KAREN L. EVERT misapplied a sum exceeding \$1,000 by making, in part, unauthorized withdrawals from Ladysmith Federal customer accounts for her own personal use and benefit.

(b) KAREN L. EVERT pled guilty to one count of embezzlement by a bank employee under the provisions of 18 U.S.C. § 656; and

(c) On or about July 15, 1997, judgment will be entered against KAREN L. EVERT in the United States District Court for the Western District of Wisconsin.

3. Consent. KAREN L. EVERT consents to the issuance by the OTS of the accompanying Consent Order of Prohibition ("Order"). KAREN L. EVERT further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under 12 U.S.C. § 1818(e). Upon its issuance by the OTS, it shall be a final order effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. Waivers. KAREN L. EVERT waives the following:

(a) the right to be served with a written notice of the OTS's charges against her as provided by 12 U.S.C. § 1818(e);

(b) the right to an administrative hearing of the OTS's charges against her as provided by 12 U.S.C. § 1818(e);

(c) the right to seek judicial review of the Order, including, without limitation, any such right provided by 12

U.S.C. § 1818(h), or otherwise to challenge the validity of the Order;

(d) any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504 or 28 U.S.C. § 2412; and

(e) the right to assert this proceeding, her consent to issuance of the Order, or the issuance of the Order as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

6. Indemnification. KAREN L. EVERT represents that she has not received, directly or indirectly, any sums from Ladysmith Federal for the purpose of indemnifying or reimbursing her for any expenses incurred by her in connection with the OTS investigation. KAREN L. EVERT shall neither cause nor permit Ladysmith Federal (or any successor institution, holding company, subsidiary or service corporation thereof) to incur, directly or indirectly, any expense for any legal or other professional services rendered to KAREN L. EVERT relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from Ladysmith Federal (or any successor institution, holding company, subsidiary or service corporation thereof) with respect

to such expenses. In the event that any such payments are received by or on behalf of KAREN L. EVERT in connection with this action, KAREN L. EVERT agrees promptly to notify the OTS of the receipt of such payments and to return such payments without delay to Ladysmith Federal (or the successor institution, holding company, subsidiary or service corporation thereof).

7. Other Government Actions Not Affected. KAREN L. EVERT acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this OTS enforcement matter only, the basis of which is briefly described in the "OTS Findings of Fact" section located in paragraph 2 of this Stipulation and Consent to the Issuance of an Order of Prohibition ("Stipulation"), and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of KAREN L. EVERT that arise pursuant to this action or otherwise and that may be or have been brought by the OTS or another governmental entity.

8. Acknowledgment of Criminal Sanctions. KAREN L. EVERT acknowledges that the Stipulation and Order are subject to the provisions of 12 U.S.C. § 1818(j).

9. Miscellaneous. (a) The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America;

(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns;

(c) The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order;

(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and

(e) This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director or authorized representative.

WHEREFORE, KAREN L. EVERT executes this Stipulation and Consent to the Issuance of an Order of Prohibition, intending to be legally bound hereby.

By:

Accepted by:
Office of Thrift Supervision

Karen L. Evert
Karen L. Evert

Ronald N. Karr
Ronald N. Karr
Regional Director
Central Region

Date: July 15, 1997

Date: July 24, 1997

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)	
KAREN L. EVERT)	Order No. CHI-97-06
Former Employee and)	
Institution-Affiliated Party of)	Dated: July 24, 1997
LADYSMITH FEDERAL SAVINGS AND)	
LOAN ASSOCIATION)	
<u>LADYSMITH, WISCONSIN</u>)	

CONSENT ORDER OF PROHIBITION

WHEREAS, KAREN L. EVERT has executed a Stipulation and Consent to the Issuance of an Order of Prohibition ("Stipulation"); and

WHEREAS, KAREN L. EVERT, by her execution of the Stipulation, has consented and agreed to the issuance of this Consent Order of Prohibition ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1818(e).

NOW THEREFORE, IT IS ORDERED that:

1. KAREN L. EVERT is prohibited from further participation, in any manner, in the conduct of the affairs of Ladysmith Federal Savings and Loan Association, 119 West 4th Street P.O. Box 146, Ladysmith, Wisconsin 54848, and any holding company, subsidiary and/or service corporation thereof.

2. KAREN L. EVERT, except upon the prior written consent of the OTS (acting through its Director or an authorized representative thereof) and any other "appropriate Federal financial institutions

regulatory agency," for purposes of 12 U.S.C. § 1818(e)(7)(B)(ii), shall not:

(a) hold any office in, or participate in any manner in the conduct of the affairs of, any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), including, but not limited to:

(i) any insured depository institution, e.g., savings and loan associations, savings banks, national banks, trust companies, and other banking institutions;

(ii) any institution treated as an insured bank under 12 U.S.C. §§ 1818(b)(3) or 1818(b)(4), or as a savings association under 12 U.S.C. § 1818(b)(9), e.g., subsidiaries and holding companies of banks or savings associations;

(iii) any insured credit union under the Federal Credit Union Act, 12 U.S.C. § 1751 et seq.;

(iv) any institution chartered under the Farm Credit Act of 1971, 12 U.S.C. § 2001 et seq.;

(v) any appropriate Federal depository institution regulatory agency, within the meaning of 12 U.S.C. § 1818(e)(7)(A)(v); and

(vi) the Federal Housing Finance Board and any Federal Home Loan Bank.

(b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in 12 U.S.C. § 1818(e)(7)(A);

(c) violate any voting agreement previously approved by the "appropriate Federal banking agency" within the meaning of 12 U.S.C. § 1813(q); or

(d) vote for a director, or serve or act as an "institution-affiliated party", as that term is defined at 12 U.S.C. § 1813(u), e.g., a director, officer, employee, controlling stockholder of, or agent for, an insured depository institution.

3. The Stipulation is made a part hereof and is incorporated herein by this reference.

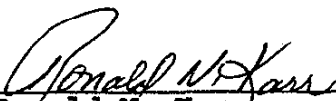
4. This Order is subject to the provisions of 12 U.S.C. § 1818(j).

5. KAREN L. EVERT shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

6. This Order is and shall become effective on the date it is issued, as shown in the caption hereof. The Stipulation and the Order shall remain in effect until it is terminated, modified or suspended, in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

THE OFFICE OF THRIFT SUPERVISION

By:



Ronald N. Karr
Regional Director
Central Regional Office